

Shanghai Pharmaceuticals Holding Co., Ltd.

Implementation Rules of the Nomination Committee of the Board of Directors

Chapter 1 General Provisions

Article 1 These implementation rules are formulated for the nomination committee (the “Nomination Committee”) of the board of directors (the “Board”) specifically established by Shanghai Pharmaceuticals Holding Co., Ltd. (the “Company”) in accordance with the *Company Law of the People’s Republic of China* (the “PRC”), *Measures for the Administration of Independent Directors of Listed Companies*, the *Standards on Corporate Governance of Listed Companies*, the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the “Listing Rules of the Stock Exchange”), *Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 - Standardized Operation*, the *Articles of Association and the Rules of Procedure of the Board of Directors* and other relevant regulations, in order to regulate the election of directors, optimise the composition of the Board and improve the corporate governance structure of the Company.

Article 2 The Nomination Committee is a body specifically set up under the Board, mainly responsible for analysing the candidates for directors of the Company and the selecting criteria and procedures and making recommendations to the Board. The Nomination Committee may also be responsible for analysing the candidates for the senior management of the Company and the selecting criteria and procedures and making recommendations to the Board when necessary.

Article 3 For the purpose of these rules, the reference to “directors” shall represent all directors of the Board of the Company, including external directors

and independent directors.

Chapter 2 Composition

Article 4 The Nomination Committee shall consist of three (3) directors, a majority of which shall be independent directors.

Article 5 Members of the Nomination Committee shall be nominated by the chairman of the Board, more than one-half (1/2) of the independent directors or more than one-thirds (1/3) of all directors, and shall be elected by the Board.

Article 6 The Nomination Committee shall have one (1) convener who shall be an independent director to preside over the committee. The convener shall be elected from the members of the Nomination Committee, subject to approval by the Board.

Article 7 The term of office of the Nomination Committee shall be in congruence with that of the Board. Members may be re-elected and re-appointed upon the expiry of their terms of office. If a member no longer maintains the position as a director of the Company during the term, he or she shall automatically lose the membership qualification, and the Board shall fill up the vacancy in accordance with Article 4 to Article 6 hereinbefore.

Article 8 The Board office is responsible for daily liaison and organisation of meetings of the Nomination Committee.

Chapter 3 Duties and Authorities

Article 9 Main duties and authorities of the Nomination Committee include:
(1) to conduct annual review on the composition and structure of the Board based on the strategic planning, operating activities, size of assets and shareholding

- structure of the Company, and to make recommendations to the Board;
- (2) to analyse the criteria and procedure for selection of directors, establish a policy on diversity on the Board of Directors, and to make recommendations to the Board;
 - (3) to identify extensively qualified candidates for directors;
 - (4) to examine the candidates for directors and to make recommendations;, and explain how director candidates promote board diversity;
 - (5) to assess the independence of independent directors;
 - (6) to make recommendations to the Board of Directors on the nomination, appointment and removal of directors and succession plans for the chairman
 - (7) to making recommendations to the Board on the appointment or dismissal of senior management;
 - (8) other matters authorised by the Board;
 - (9) other duties and authorities as recommended in the *Listing Rules of the Stock Exchange* or other laws, regulations and rules.

If the board of directors does not adopt or does not fully adopt the recommendations of the nomination committee, it shall record the opinions of the nomination committee and the reasons for not adopting them in the resolution of the board of directors, and disclose them.

Article 10 The nomination committee shall review the qualifications of independent director candidates and form a clear review opinion.

Article 11 The Nomination Committee shall report to the Board and submit its proposals in writing to the Board for consideration and approval.

Article 12 The controlling shareholders of the Company should respect the recommendations and nominations made by the Nomination Committee and shall not interfere with the work of the Nomination Committee.

Chapter 4 Decision-making Procedures

Article 13 The Nomination Committee shall analyse the criteria for electing

directors, selecting procedures and term of office of the directors of the Company in accordance with the relevant laws and regulations, the *Listing Rules of the Stock Exchange* and the *Articles of Association* and taking into account the actual situation of the Company, and shall submit the resolution so formed to the Board for approval and implement accordingly upon approval by the Board.

Article 14 The procedures for selection and appointment of directors are as follows:

- (1) the Nomination Committee shall actively communicate with the relevant departments of the Company to study the Company's needs for new directors;
- (2) the Nomination Committee may identify candidates for directors extensively from the Company, holding (investee) companies and the talent market;
- (3) the Nomination Committee shall gather information of candidates, including occupation, academic background, title of position, detailed working experience and all the concurrent posts of the candidates, and prepare such information in writing before making decision;
- (4) the Nomination Committee is responsible for seeking the nominee's consent to the nomination, otherwise he or she shall not be taken as a candidate for directors;
- (5) to convene a meeting of the Nomination Committee for the purpose of screening on qualifications of candidates in accordance with the criteria for selection of directors;
- (6) the Nomination Committee shall submit to the Board its recommendations on candidates for directors and the relevant information at least ten (10) days before the Board holds discussion about the candidates for new directors (excluding the date of despatching the meeting notice and the date of meeting);
- (7) other follow-up tasks according to the decision and feedback of the Board.

Article 15 Unless otherwise specified in the *Articles of Association*, the candidates for directors nominated by the Nomination Committee are subject to the approval of the Board and shall stand for election at the general meeting.

Chapter 5 Rules of Procedures for Meetings

Article 16 The Nomination Committee shall convene at least one (1) meeting every year. A notify all members three (3) days before the meeting and provide relevant materials and information. A meeting shall be chaired by the convener who, if unable to attend the meeting, may appoint another member (being independent director) to chair the meeting.

Article 17 The quorum of the meetings of the Nomination Committee shall be more than two-thirds (2/3) of all its members, each having one (1) ballot for voting. Resolutions of the meetings shall be passed by a majority of all members.

Article 18 The meeting of the nomination committee shall be held on the spot, and the voting method shall be a show of hands or a vote. On the premise of ensuring that all participating members can fully communicate and express their opinions, it may be convened by video, telephone or other means in accordance with the procedures when necessary.

Article 19 Directors, supervisors, the president and other senior management members of the Company may be invited by the Nomination Committee to attend its meetings as observers when necessary.

Article 20 If necessary, the Nomination Committee may engage intermediary agencies to provide professional advice for its decision-making at the Company's expense.

Article 21 When a matter in connection with a member of the Nomination Committee is considered at the meeting, the person concerned shall withdraw from such consideration. In the event that more than one-half of the members are required to withdraw from consideration, all the members shall be notified in this regard and the matter shall be submitted directly to the Board for consideration

and approval.

Article 22 The convening procedures and voting methods of the meetings of the Nomination Committee and the resolutions passed at such meetings shall be in compliance with the relevant laws, regulations, the *Articles of Association* and these rules.

Article 23 Minutes shall be made for the meetings of the Nomination Committee, bearing signatures of the members present at the meetings. The minutes of the meetings shall be kept by the secretary to the Board.

Article 24 Resolutions, voting results and opinions made during consideration and approval at the meetings of the Nomination Committee shall be submitted in written form to the Board, and shall be kept by the secretary to the Board.

Article 25 All members present at meetings are obligated to keep confidential on the matters considered at meetings, and shall not disclose the relevant information without authorisation.

Chapter 6 Supplementary Provisions

Article 26 For the purpose of these rules, the reference to “more than” shall include the underlying number.

Article 27 These rules shall come into effect from the date of approval by the Board by way of resolution.

Article 28 The matters not covered by these rules shall be governed by the relevant laws and regulations of the PRC, the *Listing Rules of the Stock Exchange*,

the *Articles of Association* and the *Rules of Procedures of the Board of Directors*. In case of any discrepancy between these rules and any laws and regulations promulgated in the PRC in the future, the *Listing Rules of the Stock Exchange* as revised from time to time or the *Articles of Association* or the *Rules of Procedure of the Board of Directors* amended through legitimate procedures, the latter shall govern and prevail and these rules shall be amended forthwith, subject to consideration and approval by the Board.

Article 29 The Board reserves the rights to interpret and revise these rules.

Shanghai Pharmaceuticals Holding Co., Ltd.

Board of Directors

21st December, 2023